

STATE OF MINNESOTA

LEASE

Lease No. **I-8939**

THIS Lease is made by and between the State of Minnesota, Department of Administration, acting for the benefit of the Iron Range Resources, hereinafter referred to as LANDLORD, and _____, hereinafter referred to as TENANT.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 5, to rent out state-owned property;

WHEREAS, the Iron Range Resources has under its control and supervision parcels of land described on the attached Exhibit A, which are temporarily surplus to its needs;

WHEREAS, TENANT's business is _____; and

WHEREAS, TENANT desires to lease said surplus property for the purpose of outdoor advertising.

NOW THEREFORE, LANDLORD and TENANT, in consideration of the rents, covenants, and considerations hereinafter specified, do hereby agree each with the other as follows.

1. **LEASED PREMISES** LANDLORD grants and TENANT accepts the lease of the following described Leased Premises for the placement of two-sided advertisement sign, one sign on each parcel, as shown on the attached Exhibit A, located near the City of Hibbing, County of St. Louis, Minnesota, legally described as follows:

Land for Billboard #1, That part of the Southeast Quarter of the Northwest Quarter (SE ¼ of NW ¼) lying east of the highway 169, Section Four (4), Township Fifty-Seven North (57N), Range Twenty West (20W) of the Fourth Principal Meridian

Land for Billboard #2, That part of the Northwest Quarter of the Northwest Quarter (NW ¼ of NW ¼), also known as Government Lot 4, Section Four (4), Township Fifty-Seven (57) North, Range Twenty (20), West of the Fourth Principal Meridian, lying east of Highway 169, approximately five hundred (500) feet South of Grace Road.

Land for Billboard #3, Tract A, which is the Southeast Quarter of the Southeast Quarter (SE ¼ of the SE ¼) lying east of Highway 169, Section Thirty-Two (32), Township Fifty-Eight (58), Range Twenty (20).

Land for Billboard #4, An undivided 1/8 interest , in the Southeast Quarter of the Southeast Quarter (SE ¼ of the SE ¼) of Section Thirty-Two (32), Township Fifty-Eight

(58), Range Twenty (20), except the highway right of way and except the part beginning 478 feet west and 33 feet north of the Southeast corner of the Southeast Quarter of Section Thirty-Two (32), Township Fifty-Eight (58), Range Twenty (20), thence north 145 feet, thence west 135 feet thence south 145 feet, thence east 135 feet to the point of beginning and except 77/100 acres at the Southwest Corner of Section Thirty-Two (32), Township Fifty-Eight (58), Range Twenty (20). Tax Parcel Id # 140-0280-00301

2. **USE** TENANT shall use and occupy the Leased Premises only as land for the placement of one (1) outdoor advertising sign with two (2) faces on each parcel and for such related activities.

3. **TERM** The term of this Lease is five (5) years, commencing November 1, 2016 and continuing through October 31, 2021 ("Lease Term").

4. **RENT**

4.1 **Bid Deposit** LANDLORD and TENANT hereby agree that TENANT has paid LANDLORD a bid deposit in the amount of _____ and xx/100 dollars (\$_____) which shall be deducted from the Total Annual Rent for the period November 1, 2016 through October 31, 2017.

4.2 **Rent Payment** As rent for the Leased Premises and in consideration for all covenants, representations and conditions of the Lease, TENANT agrees to pay to LANDLORD the sum of _____ and xx/100 dollars (\$_____) for the term of the Lease, such amount shall be paid in accordance with the rent schedule set forth below:

[INSERT RENT SCHEDULE HERE]

4.3 **Rent Payment Address** TENANT agrees to pay the "Total Annual Rent for Each Lease Period", with no invoicing, on November 1 of each year by check or money order made payable to the State of Minnesota State and mailed or delivered to:

Accounting Division
Iron Range Resources Board
1006 Highway 53 S
PO Box 441
Eveleth MN 55734-0441

5. **LEASE TERMINATION**

5.1 This Lease may be terminated by LANDLORD for any reason at any time upon giving thirty (30) days prior written notice of such termination to TENANT.

5.2 **Surrender of Leased Premises** TENANT hereby agree that at the expiration or earlier

termination of this Lease or extension thereof:

- a. TENANT shall remove its Personal Property including signboards, structures, supports, electrical service and any footings or foundations installed by or for TENANT and vacate and surrender possession of the Leased Premises to LANDLORD by the end of the day the Lease terminates in as good condition as when TENANT took possession, ordinary wear and tear and damage by the elements excepted.
- b. All personal property not so removed will conclusively be deemed to have been abandoned by TENANT and may be sold, stored, destroyed or otherwise disposed of by LANDLORD without notice to TENANT or to any other person and without obligation to account for them. TENANT will pay LANDLORD all expenses incurred in connection with LANDLORD'S disposition of such personal property, including without limitation the cost of repairing any damage to the premises caused by removal of such property. TENANT'S obligation to pay all of LANDLORD'S expenses incurred in connection with removal of TENANT'S personal property shall survive the termination of this Lease.

6. **DUTIES OF LANDLORD** LANDLORD shall furnish and provide, at its expense, access to TENANT'S personal property on and over LANDLORD'S real property and improvements.

7. **DUTIES OF TENANT**

- 7.1 TENANT agrees to maintain the Leased Premises in a reasonably clean and sanitary condition.
- 7.2 TENANT hereby assumes all responsibility for security against theft, vandalism or accidental loss of any kind whatsoever.
- 7.3 TENANT shall comply with all applicable statutes, rules, ordinances and regulations as issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.
- 7.4 TENANT shall obtain and pay for all licenses and permits (and special use permits, if applicable) as may be required by its use of the Leased Premises.
- 7.5 In the event that a state or local tax is imposed upon LANDLORD due to TENANT'S occupancy, use, valuable possession or valuable leasehold interest of or in the real property hereby leased, the obligation for the payment of the tax will be wholly that of TENANT.
- 7.6 TENANT agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, color, creed, sex or national origin in furnishing, or

by refusing to furnish, to such person or persons the use of any facility including any and all services, privileges and activities provided therein.

- 7.7 TENANT shall, except as otherwise specified herein, maintain in good repair and condition the Leased Premises including any and all equipment, fixtures or appurtenances furnished by LANDLORD under this Lease.
- 7.8 TENANT, its agents, employees, invitees or visitors shall comply fully with all rules and regulations governing conduct and vehicular traffic on the grounds on which the Leased Premises are located as now posted or subsequently amended.
- 7.9 TENANT shall furnish and provide, at its expense, the following services:
- a. structural maintenance of TENANT'S billboard, superstructure, anchoring devices and footings, if any.
 - b. painting and general maintenance of TENANT'S billboard, superstructure and anchoring devices.
- 7.10 TENANT shall conform with the following content provisions in the display of advertising media on or about the Leased Premises. TENANT'S failure to adhere to these provisions shall be deemed to be a default pursuant to Section XXXXXX of this Lease.

Content Provisions:

- a. Advertising shall not represent or endorse elected officials or candidates.
- b. Advertising shall not reflect political or religious viewpoints.
- c. Advertising shall not demean the State of Minnesota, its Departments or Agencies, nor promote goods or services designed to frustrate effective law enforcement.
- d. Advertising shall not promote the sale or consumption of alcoholic beverages.
- e. Advertising shall not promote gaming, gambling or promotional sweepstakes.
- f. Advertising shall not contain false, misleading or fraudulent statements or claims or relate to an illegal activity.
- g. Advertising shall not contain discriminatory or derogatory content, including:
 - (1) Advertising which presents acts of rape, murder or violence in a casual or entertaining manner.

- (2) Advertising which violates community standards of decency with respect to obscenity, profanity, pornography or sexual expression.
 - (3) Advertising which portrays individuals on the basis of race, color, creed, sex, age, religion, ancestry, national origin, marital status, disability, affectional or sexual orientation, pregnancy or childbirth including but not limited to the promotion or prohibition of choice, birth control, birth control methods, or any other characteristic protected under federal, state or local law as inferior, evil, or contemptible as a result of the individual's protected characteristics.
- h. Advertising shall not imply or declare an endorsement of a product or service by the State of Minnesota, its Departments or Agencies.
 - i. Advertising shall not contain language, which is libelous, derisive, distorted, deceptive, immoral, vulgar or disreputable.
- 7.1 LANDLORD and TENANT hereby agree that every six (6) months TENANT shall provide LANDLORD with a list of advertisers.

8. **ACCEPTANCE AND POSSESSION**

- 8.1 TENANT has inspected and knows the condition of the Leased Premises and agrees to accept same in its "as is" condition. It is further understood that the Leased Premises are hereby leased to TENANT without obligation of any kind on the part of LANDLORD to make any additions, improvements or alterations thereto. LANDLORD makes no representations concerning building code and fire code compliance.
- 8.2 LANDLORD disclaims and excludes any implied warranties as to the utility, fitness or adequacy of the Leased Premises for the uses contemplated in this Lease, and TENANT acknowledges there are no warranties except those expressly stated herein.

9. **ASSIGNMENT AND SUBLETTING** TENANT shall not assign nor in any manner transfer this Lease or any interest therein, nor sublet said Leased Premises or any parts thereof.

10. **LANDLORD'S ACCESS** LANDLORD, acting through its designated agent, employees or officials shall have the right, upon prior notification to TENANT, to enter the Leased Premises at all reasonable times.

11. **LIABILITY INSURANCE**

- 11.1 TENANT agrees to acquire and maintain, at its sole expense, during the term of this Lease and any extension thereof, commercial general liability insurance (or comparable coverage under a program of self-insurance), as follows:

- a. Minimum Liability Limits:
 - (i) \$2,000,000 per occurrence.
 - (ii) \$2,000,000 annual aggregate.
- b. Umbrella of Excess Liability Policy An umbrella or excess liability insurance policy may be used to supplement the TENANT'S policy limits to satisfy the full policy limits required by this Lease.
- c. Required Coverage:
 - (i) Bodily injury.
 - (ii) Property damage.
 - (iii) Personal injury.
 - (iv) Blanket contractual.
 - (v) Fire legal.

11.2 Other Commercial General Liability Insurance Requirements:

- a. Name the State of Minnesota/(Iron Range Resources) (address: Real Estate and Construction Services, Real Estate and Construction Services, # 309, 50 Sherburne Ave, St Paul MN 55155) as additional insured.
- b. If TENANT receives a cancellation notice from an insurance carrier affording coverage herein, TENANT agrees to notify the LANDLORD within five (5) business days with a copy of the cancellation notice, unless TENANT'S policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the LANDLORD.

11.3 TENANT shall provide LANDLORD with a certificate of insurance or a statement of self-insurance that proves the required coverage is in force and that includes a reference to the address of the Leased Premises and Lease number.

12. **LANDLORD TO BE HELD HARMLESS** LANDLORD shall not be liable for any suits, actions or claims of any character for injury, death or property damage made by or on behalf of any person or persons, firm or corporation arising out of the conduct, management or use of the Leased Premises by TENANT or arising out of any work or thing whatsoever done in or about the premises or structures or equipment therein when such has been authorized by TENANT, except as such injury, death or property damage is attributable to LANDLORD'S negligence as

determined by a court of law. TENANT shall indemnify LANDLORD and hold it harmless from any and all such suits, actions or claims.

13. **PERSONAL PROPERTY RISK** All personal property in or about the Leased Premises belonging to or placed therein by TENANT or its occupants or visitors shall be there at the sole risk of TENANT or such other person only, and LANDLORD shall not be liable for theft or misappropriation thereof, nor for any loss or damage due to the building or any part of the appurtenance thereof becoming out of repair, or arising from the bursting or leaking of water, gas, sewer or steam pipes, or due to the happening of any accident in or about the Leased Premises including destruction by fire.
14. **HOLDING OVER** In the event TENANT remains in possession of the Leased Premises herein leased after the expiration of this Lease and without the execution of a new lease, it shall be deemed occupying said Leased Premises as a tenant, subject to all the conditions, provisions and obligations of this Lease insofar as the same can be applicable to a month-to-month tenancy.
15. **DEFAULT BY TENANT** If TENANT defaults in any of its promises or covenants hereunder and fails to cure the same within thirty (30) days after receipt of written notice of default from LANDLORD, LANDLORD may, upon fifteen (15) days written notice to TENANT, terminate this Lease. In such event, LANDLORD shall have the right without further notice to re-enter the Leased Premises and remove all persons and TENANT'S property from the Leased Premises without being guilty of any manner of trespass or working a forfeiture of the rents payable under the Lease. LANDLORD may re-let the premises; however, TENANT shall remain liable for any deficiency.
16. **WAIVER OF COVENANTS** The failure of LANDLORD to insist in any one or more instances upon performance of any of the terms, covenants or conditions of this Lease shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant or condition, but TENANT'S obligation with respect to such future performance shall continue in full force and effect.
17. **ENERGY CONSERVATION** TENANT agrees to observe reasonable precautions to prevent waste of heat, electricity, and other utility or service, whether such is furnished by LANDLORD or obtained and paid for by TENANT.
18. **AUDIT** Pursuant to Minn. Stat. §16C.05, subd. 5, the books, records, documents and accounting procedures and practices of TENANT relevant to this Lease shall be subject to examination by the State and/or Legislative Auditor, as appropriate, for a minimum of six (6) years.
19. **AFFIRMATIVE ACTION** If the Lease amount exceeds \$100,000 and the TENANT employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the TENANT must comply with the requirements of Minn. Stat. § 363A.36 and Minn. Rules Parts 5000.3400-

5000.3600. A TENANT covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

19.1 Minn. Stat. § 363A.36 Minn. Stat. § 363A.36 requires the TENANT to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights (“Commissioner”) as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event.

19.2 Minnesota Rule 5000.3550 - Disabled Individuals Affirmative Action Clause

- a. TENANT shall not discriminate against any employees or applicants for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. TENANT agrees to take affirmative action to employ, advance in employment and otherwise treat qualified disabled individuals without discrimination based upon their physical or mental disability in all employment practices such as the recruitment, advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.
- b. TENANT agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- c. In the event of TENANT’S noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. §363A.36 and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- d. TENANT agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the commissioner of the Minnesota Department of Human Rights. Such notices shall state TENANT’S obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
- e. TENANT shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that TENANT is bound by the terms of Minn. Stat. §363A.36 of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled individuals.

20. **NOTICES** Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, certified mail, and addressed to the other party at the address set forth below. Either party may change its address by notifying the other party in writing of the change of address. Notice shall be deemed communicated within forty-eight (48) hours from the time of mailing if mailed as provided in this paragraph.

The addresses of the parties to this Lease are as follows:

LANDLORD:

Real Estate and Construction Services
Department of Administration
50 Sherburne Ave # 309
St Paul MN 55155

TENANT:

EXHIBITS:

Exhibit A Site Locations

IN TESTIMONY WHEREOF, the parties have set their hands on the date(s) appearing beneath their signatures.

TENANT:

XXXXX

Tenant certifies that the appropriate person(s) have executed the Lease on behalf of Tenant as required by applicable articles, bylaws, resolutions or ordinances.

By _____

Title _____

Date _____

By _____

Title _____

Date _____

LANDLORD:

STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
COMMISSIONER

By _____

Real Estate and Construction Services

Date _____

APPROVED:

STATE OF MINNESOTA
IRON RANGE RESOURCES

By _____

Title _____

Date _____